

DEPARTMENT OF THE NAVY
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OP-150
6 November 1990

OPNAV INSTRUCTION 1740.5

From: Chief of Naval Operations
To: All Ships and Stations (Less Marine Corps field addressees not having Navy personnel attached)

Subj: PERSONAL FINANCIAL
MANAGEMENT EDUCATION,
TRAINING AND COUNSELING
PROGRAM

Ref: (a) MILPERSMAN 6210140
(b) DOD Directive 1344.9 of 7 May 79 (NOTAL)
(c) OPNAVINST 1500.22D
(d) SECNAVINST 5211.5C
(e) OPNAVINST 1754.1A
(f) SECNAVINST 1740.2D
(g) Memorandum of Understanding between Navy Relief Society/ Department of the Navy dated 17 July 90 (NOTAL)
(h) CNETINST 1510.1E
(i) CNETINST 1500.1C

Encl: (1) Command Financial Specialist (CFS) Qualifications, Functions and Training
(2) Personal Financial Management Core Requirements for Command Training
(3) Specific Command and Staff Assigned Responsibilities
(4) Family Service Center (FSC)/ Mobile Training Team (MTT) Personal Financial Management Program Responsibilities

1. Purpose. To establish a comprehensive Personal Financial Management (PFM) Education, Training and Counseling Program that emphasizes personal financial responsibility and accountability by providing basic principles and practices of sound money management,

counseling tools and referral services.

References (a) through (i) mandate specific programs, actions or requirements which are relevant to the PFM Program.

2. Background. Management of personal finances is presenting an increasing challenge to Navy members and their families. For some, the lack of basic consumer skills and training in how to manage one's finances set the stage for financial difficulty. The escalating cost of living in the United States and abroad, and the failure of military pay to stay abreast of price made worse by the prevalence of easy credit, high pressure sales tactics, clever advertising techniques and undisciplined buying. In many cases, resultant financial problems have had a serious negative impact on the Navy member and family, as well as a debilitating effect on unit readiness, morale and retention.

3. Discussion

a. PFM is one of the focal points of the Personal Excellence Program. As described in references (a) and (b), the Navy member and the Navy jointly have a responsibility to address personal financial obligations. Members have an obligation to discharge their just financial debts and meet the financial needs of their families. The Department of the Navy is expected to promote sound financial practices, personal integrity and responsibility among its members.

b. The PFM Program consists of three major elements: (1) financial education, (2) training and information, and (3) counseling. Fundamental financial management principles and skills will be introduced at officer and enlisted accession points. They will be reinforced at "A" schools and at the command or unit level. PFM counseling of individuals will be conducted initially by the division Leading Chief Petty Officer, division officer, or by a trained Command Financial Specialist (CFS).



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4. Applicability and Scope. The provisions of this instruction apply to all active duty and reserve personnel. Each regular and reserve command having twenty five (25) or more active duty enlisted personnel shall have a trained Command Financial Specialist (CFS) to coordinate the program and to assist in providing financial information, training and counseling to command members. Commands having less than twenty five (25) active duty enlisted personnel are encouraged to have a trained CFS. All commands shall conduct PFM training and provide counseling. Enclosure (1) discusses the qualifications, functions and training of the CFS.

5. Policy. The Navy shall promote unit readiness, personal responsibility, reliability, morale and quality of life by providing knowledge, skills and counsel to its members regarding sound personal financial management practices. Specifically, it is Navy policy to provide a continuum of training as well as information and counseling services regarding PFM. The components are:

a. Training

(1) Accession Training. Basic financial management concepts and skills will be provided at all enlisted and officer accession points. This information will be reinforced and further expanded at follow-on training such as "A" school for enlisted personnel and Division Officer pipeline training.

(2) Command level training. Training offered within commands will reinforce accession/pipeline training and introduce members to more advanced skills, concepts and attitudes regarding personal financial management. The goal of this training will be to assist Navy personnel in establishing and maintaining sound money management techniques. This training will occur through division level and command training. Enclosure (2) provides a topic outline of minimum financial management core requirements for command PFM training. The subject matter for these topics is contained in the Command Financial

specialist Course Manual (NAVPERS 15608) provided to the CFS.

b. Information. Additional relevant PFM information will be issued or published in Navy internal media such as Captain's Call, Navy News, All Hands Magazine, etc., to raise awareness, train and keep members advised of latest concerns and assistance.

c. Counseling and Referral Services. In order to help individual service members avoid financial problems and handle financial concerns, Leading Chief Petty Officers within the work center, division officers and the CFS, as appropriate, will counsel Navy members experiencing financial difficulties or seeking advice on personal financial management concerns. When warranted by severe or exceptionally complex financial problems, the command will refer such members to the financial counselor within the local Family Service Center (FSC), Navy Relief Society Office, Navy Legal Services Office, or other local institutions/resources offering counseling services.

6. Action and General Responsibilities. Specific responsibilities and duties in support of the PFM program are delineated in enclosure (3). All Navy members shall become familiar with PFM Program policies, objectives, and assistance resources; use it in their own pursuit of personal excellence, and shall support their shipmates by sharing this information with those who need it.

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COMMAND FINANCIAL SPECIALIST (CFS) QUALIFICATIONS, FUNCTIONS AND TRAINING

1. Qualifications of the Command Financial Specialist. The Command Financial Specialist (CFS) shall function as the command's principal advisor on policies and matters related to PFM. Each command is required to have at least one; more can be appointed at the discretion of the commanding officer. The following qualification criteria apply:

a. Must be an E-6 or above. In commands which lack anyone of that seniority, the commanding officer may assign any designee who meets all other criteria.

b. Must be highly motivated and financially stable.

c. Must have at least one year remaining in the command at time of CFS course completion.

d. Must successfully complete the CFS Training Course provided by designated Navy Family Service Centers using the CFS training manual (NAVPERS 15608) dated 1 May 1990 or later (see Note 1).

2. Functions of the Command Financial Specialist. At the completion of formal training, the CFS shall be able to perform the following functions:

a. Assist the command to establish, organize and administer the command PFM Program.

b. Disseminate financial management information within the command through plan of the day notes, newsletters, etc.

c. Maintain current PFM resource books, directories, references and training materials for use in GMT, divisional training, and counseling and maintain liaison with the local FSC for updated PFM information.

d. Present PFM training as part of the command GMT program and provide divisional PFM training as required.

e. Provide basic PFM counseling to individual members of the command as requested.

Enclosure (1)

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f. Maintain records of training, counseling conducted and counseling referrals, and ensure confidentiality of counseling records under references (d) and (e).

g. Refer members with serious financial problems to the appropriate resource or agency capable of providing necessary assistance and/or counseling, such as the Family Service Center, Navy Relief Society, Credit Union, Consumer Credit Council, etc. Ensure the individual is seen and counseled. Maintain contact with the individual and the resource/counseling agency to facilitate progress.

3. Command Financial Specialist Training Sites. Formal CFS training will be conducted at the following designated Family Service Centers and by the COMNAVSURFPAC Mobile Training Team:

LOCATION

NAS North Island, CA	NS San Diego (32nd St), CA
* NAS Jacksonville, FL	* NS Mayport, FL
* NAS Cecil Field, FL	* NSB New London, CT
NSA New Orleans, LA	NSA Naples, IT
* NS Rota, SP	NSB Bangor, WA
NS Pearl Harbor, HI	NAS Alameda, CA
* NS Charleston, SC	*/** NS Norfolk, VA
* NAS Oceana, VA	* NAB Little Creek, VA
NTC Great Lakes, IL	NAS Lemoore, CA
COMNAVSURFPAC MTT	

Note 1: Individuals who have documented completion of a five day CFS course since January 1987 at Family Service Centers marked with an *, meet all other qualifications and have been actively functioning as a CFS, will be considered qualified.

** Designated CFS course Instructor training site.

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**PERSONAL FINANCIAL MANAGEMENT CORE REQUIREMENTS FOR COMMAND
TRAINING**

1. Military Pay and Allowances
2. Direct Deposit System (DDS)
3. Checking Accounts/Automatic Teller Machines (ATMs)
4. Consumer Fraud, Mis-representations, Advertising Gimmicks and other Consumer Rip-offs.
5. Personal and Family Budgeting
6. Savings Plans
7. Consumer Credit, Credit Cards and Loans
8. Car Buying Strategies
9. Insurance, Supplementary Health Insurance
10. Legal Issues of Personal Financial Management
11. Letters of Indebtedness
12. Bankruptcy
13. Pre-deployment Financial Management

Enclosure (2)

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SPECIFIC COMMAND AND STAFF ASSIGNED RESPONSIBILITIES

1. **Deputy Chief of Naval Operations (Manpower, Personnel, and Training) (OP-01)**, as program sponsor, shall establish Navy Personal Financial Management Program policy and liaison with the Department of Defense and other cognizant agencies.

2. **Chief of Naval Personnel (CHNAVPERS) (PERS-00) through The Director, Navy Personal Readiness and Community Support Division (PERS-6)** shall implement and coordinate the Navy PFM Program and as program manager shall:

a. Coordinate implementation of PFM Program training with the Director, Total Force Training and Education Policy Division (OP-11) and the Chief of Naval Education and Training.

b. Maintain program effectiveness and currency.

c. Integrate the activities of all military and civilian personnel and organizations in support of the program.

d. Provide guidance to all activities regarding implementation of program policy and plans.

e. Develop personal financial education and training programs and materials.

f. Develop and implement program publicity/marketing plans.

g. Conduct periodic program evaluations.

h. Designate training sites and approve establishment of Mobile Training Teams (MTT)s in concert with Echelon 2 commanders/area coordinators.

i. Periodically review, update and ensure standardization of the CFS training course presented at designated FSC training sites and by MTTs.

Enclosure (3)

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3. **Director, Total Force Training and Education Policy Division (OP-11)** shall designate the PFM Program as a topic in the General Military Training (GMT) program.

4. **Commander, Navy Accounting and Finance Center (NAFC)** shall:

a. Serve as a technical advisor to the PFM program manager and provide relevant technical assistance on financial training and training materials.

b. Recommend to the program manager, supplementary PFM training and information materials.

c. In coordination with the program manager and Chief of Information (CHINFO), review and provide PFM information for inclusion in Navy internal media.

5. **Chief of Naval Education and Training (CNET)** shall:

a. Provide training on PFM Program elements to all enlisted recruits at Recruit Training Centers, and students at CNET "A" Schools.

b. Provide PFM Program training to all officer candidates, NROTC midshipmen, and personnel in other officer entry programs.

c. Include the Command Financial Specialist training course in the Navy Integrated Training Resource Administration System (NITRAS) and the Catalog of Navy Training Courses (CANTRAC).

6. **Chief, Bureau of Medicine and Surgery (CHBUMED)** shall provide training on PFM Program elements to students at HM/DT "A" schools.

7. **Superintendent, U.S. Naval Academy (USNA)** shall provide PFM Program training to all Naval Academy Midshipmen.

8. **The Naval Inspector General (NAVINGEN)** is responsible for the Naval Command Inspection Program. In this capacity the NAVINGEN shall:

a. Develop/update standardized Immediate Superior In Command (ISIC) inspection protocol for the PFM Program with assistance from Commander, Naval Military Personnel Command (COMNAVMILPERSCOM) (NMPC-6).

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b. Review second echelon PFM Program(s) to ensure program implementation and policy compliance.

9. **Chief of Information (CHINFO)** shall assist in promoting PFM by ensuring frequent inclusion of PFM materials in Navy internal media.

10. **Echelon 2 Commands/Area Coordinators** shall:

a. Monitor timely establishment and ensure continuing effective program implementation. Echelon 2/area coordinators with CFS course training sites/MTTs shall provide CNET a consolidated schedule of course training dates, quota availability and other information required in references (h) and (i) for inclusion in NITRAS and CANTRAC.

b. Include PFM in ISIC inspections to ensure program policy compliance.

c. Assess requirements for CFS training sites/MTTs in area of responsibility in concert with NMPC-6 to ensure that the CFS course is provided with sufficient frequency and resources to meet training requirements.

11. **Echelon 3 Commands/Regional Coordinators** shall:

a. Monitor timely establishment and continuing effective implementation of the program as it applies to commands under their cognizance.

b. Establish priorities for quotas, maintain quota control for CFS training courses offered by designated FSCs/MTTs under their cognizance, coordinate MTT visits with host commands and provide points of contact for commands requesting quotas. Quota preference is to be given to commands which do not have a trained CFS. Quota allocations must address both local and out-of-area commands.

c. Ensure, in concert with commanding officers of CFS training site(s)/MTTs under their cognizance, the CFS training course is provided with sufficient frequency and resources to accommodate training requirements.

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12. Commanding officers, naval installations having Family Service Centers shall:

a. Coordinate the effort of local financial counseling resources (Family Service Center, Navy Relief Society Office, Naval Legal Service Offices, etc.) to maximize effectiveness with respect to the PFM Program.

b. Ensure in concert with Echelon 3 command/regional coordinator, the CFS training course is provided with sufficient frequency and resources to accommodate training requirements if a designated CFS training site. Enclosure (4) provides further guidelines for FSCs with respect to the PFM Program.

13. Unit Commanders, Commanding Officers, and Officers in Charge shall:

a. Except as exempted in paragraph 4 of the basic instruction, designate in writing a minimum of one responsible command member as CFS. Enclosure (1) provides qualifications criteria, functions and training sites for CFSs.

b. Assign collateral PFM responsibilities to the CFS(s), provide required training and ensure record of CFS designation and course completion are made part of the individual's service record.

c. Ensure command orientation program(s) include information on the PFM Program, and assistance available.

d. Ensure that all personnel who are the subject of a bad check report, letter of indebtedness or other financial mismanagement notice receive mandatory PFM counseling assistance.

e. Ensure that required PFM program training is conducted.

f. Establish and maintain records between command inspection cycles of PFM education, training and counseling conducted.

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g. Ensure the privacy and confidentiality of all records of PFM counseling done at the command, under references (d) and (e).

14. Command Financial Specialist shall:

a. Normally be a collaterally assigned responsibility.

b. Report directly to the command level (Commanding Officer/Executive Officer) as a Special Assistant. Enclosure (1) lists basic CFS qualifications, functions and training.

**FAMILY SERVICE CENTER (FSC)/MOBILE TRAINING TEAM (MTT) PERSONAL
FINANCIAL MANAGEMENT PROGRAM RESPONSIBILITIES**

Family Service Centers shall assist local commands, area CFSS and visiting MTTs by serving as the primary resource in developing command financial management information materials and education programs pertaining to the local area. FSCs will also:

1. Provide financial education, counseling, information and referral assistance to Navy personnel and their family members requiring/seeking assistance with financial problems.
2. Maintain records, and ensure privacy and confidentiality of all records and information regarding PFM counseling conducted be kept under references (d) and (e).
3. Maintain ongoing liaison with financial institutions located on base in order to encourage active duty and family member awareness and use of PFM counseling and information services which those institutions are required to provide their members.
4. Have, as a minimum, one staff member trained as a CFS at a training site listed in enclosure (1). Follow on training will be conducted every three years unless waived by the program manager.
5. Serve as local quota manager, training site facility and logistics support coordinator and local subject matter resource consultant/assistant for visiting PFM Program MTTs and, as host FSC, report via the quarterly FSC computerized report to the program manager the number of classes held and total number of CFSS trained by a MTT.
6. If designated as a Command Financial Specialist (CFS) Training Site listed in enclosure (1) or as an MTT:
 - a. Provide the CFS course of instruction as directed with a minimum of one class per quarter and twenty five (25) student quotas per class, using the Instructor Guide (NAVPERS 15610) and the course training manual (NAVPERS 15608).

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b. Maintain records for at least two years of the name, rate, SSN and source command of all trainees who successfully complete the CFS course and provide documentation to the trainees' command for entry into the individuals' service record.

c. Report via the FSC computerized quarterly report to the program manager, the number of classes held and total number of CFSS trained.

d. Submit annually by 30 June, to the program manager via the Echelon 2 commander/area coordinator, a proposed schedule of classes and student number estimate for the next FY.

e. Have, as a minimum, two individuals (E-6 or above or civilian counterpart) capable and trained as instructors of the CFS course at the instructor training site(s) listed in enclosure (1) and an additional person capable of acting as an alternate instructor.

f. Function with the Navy Relief Society as agreed in reference (g). At specifically designated FSC training sites the Navy Relief Society Budget Counselor will function as an equal partner, working in cooperation with the FSC in the administration of the CFS Training Program and in related PFM Program functions. They will assist as a financial education specialist and co-sponsor in the preparation and delivery of the CFS training program. Navy Relief Society Budget Counselors will be supervised by their Auxiliary Executive Directors and will work following reference (g). Navy Relief Society Budget Counselors are not permitted to accept additional or collateral responsibilities outside of the PFM Program except by separate agreement.

7. Ensure the approved CFS course materials provided in this instruction are used in all training and counseling activities, effective immediately.